

DAILY MARKETS OVERVIEW

23 DECEMBER 2018

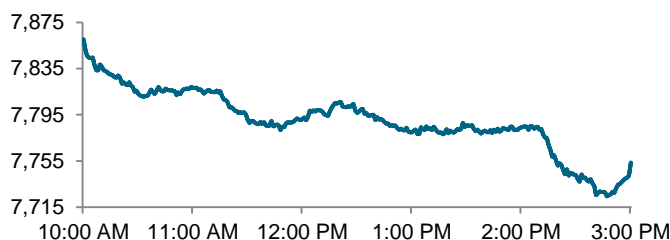
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,753	-1.4	-2.0	7.3	16.7
Saudi (NOMU)	2,400	-3.3	-4.6	-23.6	8.0
Energy	4,769	-2.3	-4.0	11.4	18.1
Materials	5,359	-1.8	-2.7	6.1	16.6
Capital Goods	3,884	-1.9	-3.8	-10.5	22.2
Com. & Prof. Svc	4,324	-0.8	-3.0	2.8	18.4
Transportation	3,492	-0.8	-2.8	-12.9	20.6
Cons. Durables & Apparel	3,647	-0.9	-2.0	-11.9	NA
Consumer Services	2,942	-2.0	-4.0	-20.2	NA
Media	10,433	-3.8	-6.9	34.9	NA
Retailing	6,741	-2.0	-2.3	19.7	32.2
Food & Staples Retailing	5,886	-0.9	-2.9	4.9	23.7
Food & Beverages	3,838	-2.0	-2.2	-21.6	NA
Health Care Equipment	3,753	-0.6	-2.3	-15.5	19.6
Pharma, Biotech & Life Science	3,879	-0.7	0.0	-2.3	27.0
Banks	6,995	-0.9	-1.6	27.1	12.5
Diversified Financials	3,416	-0.7	-0.5	-15.2	NA
Insurance	4,126	-1.8	-4.0	-12.7	NA
Telecommunication	5,334	-0.7	1.7	25.4	17.7
Utilities	3,403	-3.9	-2.7	-25.4	NA
REITs	3,603	-0.3	-0.5	-22.2	NA
Real Estate	3,235	-1.8	-2.5	-31.1	23.7

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Paper Manufacturing Co.	13.40	4.7%	66.0
Saudi Enaya Cooperative Insurance Co.	24.44	2.7%	113.2
Saudi Fisheries Co.	37.75	2.4%	283.6
Halwani Bros Co.	46.60	2.4%	2.2
SWICORP WABEL REIT FUND	8.74	2.3%	1.1

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Al Mashaar REIT	23-Dec-18
Bawan Co.	24-Dec-18
Amana Cooperative Insurance Co.	25-Dec-18
Saudi Fisheries Co.	26-Dec-18
Qassim Cement Co.	26-Dec-18
Saudi Paper Manufacturing Co.	31-Dec-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of December 23, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 1.4% lower at 7,753, while NOMU ended 3.3% lower at 2,400 on Thursday. TASI traded value totaled SAR 3.4bn and averaged SAR 3.0bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 41% of the daily traded value.
- Banks and Materials closed 0.9% and 1.8% lower, respectively. Telecom ended 0.7% lower. REITs sector (down 0.3%) was the best performer. Among stocks, Saudi Paper Manufacturing Co. (2300/SPM AB), Saudi Enaya Cooperative Insurance Co. (8311/ENAYA AB), and Saudi Fisheries Co. (6050/SFICO AB) led the gainers.
- The Saudi Arabian Monetary Authority (SAMA) decided to raise its repo rate from 275 basis points to 300 basis points and the reverse repo rate from 225 basis points to 250 basis points after the US Federal Reserve Open Market Committee (FOMC) voted to raise interest rates by 25bps. (Source: Argaam)
- The Minister of Finance stated that KSA intends to issue around SAR 120bn (USD 32bn) of bonds next year to help finance its deficit, adding that the exact timing of the issuances will depend on market conditions. (Source: Argaam)
- The Communications and Information Technology Commission (CITC) revealed that KSA is planning to offer more spectrum to enable 5G and mobile internet services. (Source: Argaam)
- Al-Ahsa Development Co. (2140/AADC AB) inked a non-binding MoU to buy out Al Salam Medical Group in a share swap deal. The MoU will last for 90 days. (Source: Argaam)
- Saudi Kayan Petrochemical Co. (2350/KAYAN AB) signed an MoU with Clariant International (CLRN GR) to evaluate a feasibility study for the establishment of a joint venture company. The company will be located inside the Saudi Kayan Petrochemical Co. complex in Jubail Industrial City and will manufacture Alkoxylates. (Source: Argaam)
- Mobile Telecommunications Co. Saudi Arabia (7030/ZAINKSA AB) signed two agreements with Dawiyat Integrated Telecommunications & Information Technology Co. to extend high-speed fiber to the home (FTTH) broadband services to households. (Source: Argaam)
- Jazan Development Co. (6090/GIZACO AB) signed a joint venture agreement with Delante Trading Corp to build a biodiesel plant at a cost of SAR 56.3mn (USD 15mn). Work will begin in the new plant in 1Q19 and commercial operations are expected to start in 2Q20. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Industrial Export Co.	89.50	-7.5%	146.2
Saudi Company for Hardware	67.00	-6.9%	28.9
Saudi Electricity Co.	15.30	-4.4%	30.2
Tourism Enterprise Co.	31.60	-4.2%	6.6
Fawaz Abdulaziz AlHokair Co.	21.88	-4.1%	4.8

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Basic Industries Corp.	118.80	-1.2%	503
Al Rajhi Bank	84.80	-1.4%	310
Saudi Fisheries Co.	37.75	2.4%	284
Alinma Bank	22.22	0.1%	150
Saudi Industrial Export Co.	89.50	-7.5%	146

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,510	-1.3	-3.4	-25.5	8.5
Abu Dhabi (ADX)	4,856	-0.1	-0.1	10.4	13.2
Kuwait (KSE)	5,154	-0.3	-0.1	0.5	18.3
Qatar (QE)	10,413	-0.8	-0.4	22.2	15.4
Oman (MSM)	4,337	0.0	-2.5	-15.0	10.2
Bahrain (BSE)	1,314	0.0	-0.4	-1.3	8.9
DJMENA Index	554	-1.0	-1.2	5.3	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,417	-2.1	-7.1	-9.6	16.5
US (NASDAQ 100)	6,333	-3.0	-8.4	-8.3	18.3
UK (FTSE 100)	6,721	0.1	-1.8	-12.6	15.3
Germany (DAX)	10,634	0.2	-2.1	-17.7	11.6
France (CAC 40)	4,694	0.0	-3.3	-11.6	14.5
Russia (MICEX)	2,347	-0.2	-0.8	11.3	5.3
Japan (Nikkei)	20,166	-1.1	-5.7	-11.4	14.0
Hong Kong (HSI)	25,753	0.5	-1.3	-13.9	9.8
South Korea (KOSPI)	2,061	0.1	-0.4	-16.5	9.9
China (SHCOMP)	2,516	-0.8	-3.0	-23.9	11.8
India (NIFTY)	10,754	-1.8	-0.5	2.1	22.1
Brazil (IBOV)	85,697	0.5	-2.0	12.2	19.0
Turkey (BIST 100)	91,861	0.0	1.5	-20.4	6.7
Egypt (EGX30)	13,138	0.0	1.1	-12.5	12.0
MSCI Emerging Markets	957	-0.3	-1.5	-17.4	11.5
MSCI World	1,835	-1.5	-5.5	-12.8	15.2

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	53.8	-1.0	-10.7	-19.5	-17.1
Natural Gas (\$/mmbtu)	3.8	6.5	-0.3	35.9	30.4
Gold (\$/oz)	1,256	-0.3	1.4	-3.8	-0.8
Silver (\$/oz)	14.6	-0.9	0.4	-14.2	-9.3
Platinum (\$/oz)	789	-0.8	0.2	-15.2	-13.9
Copper (\$/t)	5,968	-0.2	-2.6	-17.2	-15.3
Zinc (\$/t)	2,554	-1.4	-0.6	-23.5	-21.1
Lead (\$/mt)	1,958	-0.2	1.6	-21.5	-21.4
Wheat (\$/bu)	514	-1.8	-3.0	10.4	4.6
Corn (\$/bu)	379	0.9	-1.6	-1.4	-3.8
Sugar (\$/lb)	12.3	-0.7	-2.5	-18.9	-20.0

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.82	0.00	1.13	0.00
Saudi Arabia	2.95	0.04	1.06	0.13
UAE	2.89	0.05	1.09	0.06
Kuwait	2.19	0.06	0.31	-0.63
Qatar	2.88	0.05	0.23	0.05
Bahrain	3.95	0.12	1.23	1.13

Source: Reuters

NOTES: (1) Prices updated as of December 23, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Friday. S&P 500 ended 2.1% down, while NASDAQ decreased 3.0%. Dow Jones Industrial closed 1.8% lower. In Europe, UK and Germany increased 0.1% and 0.2%, respectively, while France ended flat.
- Asian markets ended mixed on Friday. China declined 0.8%. Japan closed 1.1% lower, while South Korea gained 0.1%. Hong Kong ended 0.5% higher, while India declined 1.8%.
- GCC markets ended mixed on Thursday. Dubai and Abu Dhabi declined 1.3% and 0.1%, respectively. Kuwait and Qatar ended 0.3% and 0.8% lower, respectively. Both Oman and Bahrain ended flat.
- US jobless claims for the week ended December 15 stood at 214K (prior: 206K; consensus: 220K). (Source: Econoday)
- Change in Japan' CPI for November 2018 stood at -0.2% M/M and 0.8% Y/Y (prior: 0.2% M/M, 1.4% Y/Y). (Source: Econoday)
- The Central Bank of Bahrain increased the benchmark interest rates after the US Federal Reserve Open Market Committee (FOMC) voted to raise interest rates by 25bps. It raised its key policy interest rate on the one-week deposit facility from 2.50% to 2.75%. (Source: Argam)
- OPEC's Secretary-General revealed plans to release a table detailing output cut quotas for its members and allies such as Russia in an effort to shore up the price of crude. (Source: Zawya)
- The Central Bank of UAE revealed the UAE gross bank assets amounted to AED 2.85tn (USD 777bn) by the end of November, up 6.0% from AED 2.69tn (USD 733bn) by the end of December 2017. (Source: Trade Arabia)
- Abu Dhabi Department of Economic Development (ADDED) has signed a service level agreement (SLA) with Federal Transport Authority – Land & Maritime to facilitate and simplify procedures of issuing final approval for economic licenses. (Source: Trade Arabia)
- The Abu Dhabi government and the Abu Dhabi National Oil Company (Adnoc) have awarded Austria's OMV (OMV AV) a 5% stake in the Ghasha ultra-sour gas concession that comprises the Hail, Ghasha, Dalma, Nasr, Sarb and Mubarras sour gas fields. (Source: Trade Arabia)
- Emaar Properties (EMAAR UH) announced it has sold some of its hospitality assets at a total value of AED 2.2bn (USD 596mn). The firm would use the proceeds of the sales to finance commercial properties which generate a higher return on investment. (Source: Zawya)
- Abu Dhabi's renewable energy company Masdar has signed a hybrid refinancing agreement worth USD 1.6bn (AED 5.9bn) along with Equinor (EQNR NO) and China Resources Group for its 402-megawatt (MW) Dudgeon wind farm joint venture in Britain's North Sea. (Source: Trade Arabia)

Coming Up

- US jobless claims for the week ended December 22 (prior: 214K; consensus: 217K) will be announced on December 27. (Source: Econoday)
- Change in Japan's Industrial Production for November 2018 (prior: 2.9% M/M, 4.2% Y/Y) will be announced on December 27. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended December 21 (prior: -0.5mn barrels) will be announced on December 28. (Source: Econoday)



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